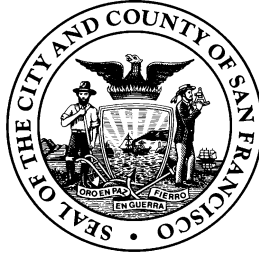


BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

PUBLIC SAFETY AND NEIGHBORHOOD SERVICES COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Hillary Ronen, Chair
Public Safety and Neighborhood Services Committee

FROM: John Carroll, Assistant Clerk

DATE: December 8, 2017

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, December 12, 2017

The following file should be presented as a COMMITTEE REPORT at the Board meeting, Tuesday, December 12, 2017. This item was acted upon at the Public Safety and Neighborhood Service Committee meeting on Thursday, December 7, 2017, at 2:30 p.m., by the votes indicated.

Item No. 59 File No. 171243

Motion verifying that A Careless Match, LLC, doing business as The Dark Horse Inn, located at 942 Geneva Avenue, has completed the preapplication meeting requirement under California Business and Professions Code, Section 23826.13, for the issuance of a new, non-transferable, Type-87 neighborhood-restricted special on-sale general liquor license.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Hillary Ronen - Aye
Supervisor Jeff Sheehy - Aye
Supervisor Sandra Lee Fewer - Aye

Cc: Board of Supervisors
Angela Calvillo, Clerk of the Board
Alisa Somera, Legislative Deputy
Jon Givner, Deputy City Attorney

File No. 171243

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Comm: Public Safety & Neighborhood Services

Date: December 7, 2017

Board of Supervisors Meeting:

Date: _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

- | | | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Committee Report Request Memo - December 1, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>OEWD Letter - November 28, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>District 11 Letter - November 28, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Pre-Application Meeting Minutes -November 24, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Proof of Mailing - November 10, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Pre-Application Meeting Notice - November 9, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Draft ABC Form 522-2</u> |

Prepared by: John Carroll

Date: December 1, 2017

Prepared by: _____

Date: _____

1 [Special On-Sale General Liquor License - Verifying Completion of Preapplication Meeting -
2 942 Geneva Avenue]

3 **Motion verifying that A Careless Match, LLC, doing business as The Dark Horse Inn,**
4 **located at 942 Geneva Avenue, has completed the preapplication meeting requirement**
5 **under California Business and Professions Code, Section 23826.13, for the issuance of**
6 **a new, non-transferable, Type-87 neighborhood-restricted special on-sale general**
7 **liquor license.**

8
9 WHEREAS, California Business and Professions Code, Section 23826.13, provides for
10 a new type of affordable, non-transferable liquor license for existing and new restaurants in
11 seven San Francisco neighborhoods as follows: 1) Third Street in Bayview, 2) San Bruno
12 Avenue in Portola, 3) Leland Street and Bayshore in Visitacion Valley, 4) Mission Street in the
13 Excelsior, 5) Ocean Avenue, 6) Taraval Street in the Sunset, and 7) Noriega Street in the
14 Sunset; and

15 WHEREAS, Five neighborhood-restricted special on-sale general licenses are
16 available in these neighborhoods, to encourage neighborhood activation by reducing
17 storefront vacancies, boost foot traffic, add to the variety of neighborhood-serving small
18 businesses, create good jobs for residents, and provide important spaces for neighbors to
19 meet and socialize; and

20 WHEREAS, The California Department of Alcoholic Beverage Control ("ABC") notified
21 five applicants, including A Careless Match, LLC, located at 942 Geneva Avenue, that they
22 were selected in a drawing, and may submit a full neighborhood-restricted special on-sale
23 general license application; and
24
25

1 WHEREAS, Prior to submitting such an application, an applicant must conduct a
2 minimum of one preapplication meeting to discuss the application with neighbors and
3 members of the community within the census tract which the premises are located; and

4 WHEREAS, Applicants must submit to ABC, on form ABC-522-2, signed verification by
5 the local government body that states the applicant has completed the preapplication meeting;
6 and

7 WHEREAS, A Careless Match, LLC, as required by Business and Professions Code,
8 Section 23826.13, must mail notification of the preapplication meeting at least 14 calendar
9 days before the meeting to all individuals and organizations within a 500-foot radius of the
10 premises for which the license is to be issued; as well as any relevant neighborhood
11 associations for the neighborhood in which the premises is located, as identified on a list
12 maintained by the Planning Department of the City and County of San Francisco; and the
13 Chief of Police for the San Francisco Police Department, as required; and

14 WHEREAS, A Careless Match, LLC, doing business as The Dark Horse Inn, located at
15 942 Geneva Avenue, has provided the Board of Supervisors supporting documents, including
16 a copy of the applicant's preapplication meeting notice, a signed preapplication meeting proof
17 of mailing, and meeting minutes or equivalent evidencing completion of the preapplication
18 meeting held on November 24, 2017, at 942 Geneva Avenue; and

19 WHEREAS, These required supporting documents are on file with the Clerk of the
20 Board of Supervisors in File No. 171243; now, therefore, be it

21 MOVED, That the Board of Supervisors verifies that A Careless Match, LLC, doing
22 business as The Dark Horse Inn, located at 942 Geneva Avenue, has completed the
23 preapplication meeting pursuant to California Business and Professions Code, Section
24 23826.13; and, be it
25

1 FURTHER MOVED, That the Clerk of the Board of Supervisors is hereby authorized to
2 sign the ABC-522-2 on behalf of the Board of Supervisors verifying A Careless Match, LLC,
3 doing business as The Dark Horse Inn, located at 942 Geneva Avenue, has completed the
4 preapplication meeting.

To: Angela Calvillo, Clerk of the Board

From: Ben Van Houten, Office of Economic and Workforce Development

Re: Type 87 Liquor Licenses & Community Outreach Obligation

Date: November 28, 2017

In the coming weeks, a series of applicants for Type 87 liquor licenses will be requesting that the Board of Supervisors confirm that the applicants have satisfied a pre-application community outreach requirement unique to this new type of license. This memo provides background information regarding the Type 87 license and the community outreach obligation.

In 2016, the California Legislature adopted SB 1285, codified as California Business & Professions Code Section 23826.13. This legislation authorized the creation of a new type of affordable, non-transferable liquor license exclusively for restaurants located in a set of target San Francisco neighborhoods (Bayview, Excelsior, Ocean Avenue, Portola, Noriega Street, Taraval Street and Visitacion Valley).

The bill was developed to help address challenges these commercial corridors face in supporting existing restaurants and attracting new ones to vacant storefronts. Successful restaurants provide a number of benefits to neighborhoods, by reducing storefront vacancies, adding to the variety of neighborhood-serving small businesses, creating good jobs for residents, providing important spaces for neighbors to meet and socialize, and boosting foot traffic.

One barrier that hinders the success of businesses in these neighborhoods is the prohibitively high cost of a full liquor license that allows a restaurant to serve spirits in addition to beer and wine. Because state law has capped the number of full liquor licenses available in San Francisco, licenses can only be purchased from existing business owners. Due to the scarcity of available licenses, full liquor licenses are currently being sold for prices exceeding \$250,000 each.

SB 1285 authorized the California Department of Alcoholic Beverage Control ("ABC") to issue five non-transferable neighborhood-restricted licenses to new or existing restaurants located in the above-mentioned target neighborhoods. These licenses are available at the state's existing application fee for a new full liquor license, currently set at \$13,800. This price is far more accessible for small business owners than the high prices on the secondary market.

Businesses interested in applying for these licenses, designated as "Type 87" liquor licenses by the ABC, were invited to submit preliminary "priority applications" from September 11-22, 2017 at the San Francisco ABC office. Because more than five businesses submitted priority applications for Type 87 licenses, the ABC conducted a public drawing on October 12, 2017 to establish the order in which it would begin inviting applicants to submit formal applications for Type 87 licenses.

Beginning on October 12, the first five applicants drawn were invited to complete the required pre-application process and submit a full liquor license application within 90 days. If one of those five businesses chooses to withdraw their application or is otherwise unable to qualify for a license, the ABC

will invite the next business on the drawing list to submit a full application, and will continue this process until five licenses have been issued.

Prior to submitting a full application for a Type 87 license, a prospective applicant must hold at least one pre-application community meeting to discuss the application with neighbors and members of the community in which the premises are located. At least 14 calendar days before the community meeting is set to occur, the applicant must mail written notice of the meeting to every resident within a 500-foot radius of the premises, to neighborhood associations identified by the Planning Department, and to the Chief of Police.

Following the completion of the community meeting, the applicant must secure, on ABC Form 522-2, signed verification from the San Francisco Board of Supervisors that the applicant has completed the required community outreach. Each resolution to confirm that an applicant has satisfied the outreach obligation will be heard in the Board's Public Safety and Neighborhood Services Committee. An applicant will be expected to provide the following items in order to demonstrate satisfaction of the community outreach obligation: a copy of the applicant's pre-application meeting notice, a signed document offering proof of mailing, and meeting minutes or equivalent materials evidencing completion of the meeting.

The signed Form 522-2 must be submitted to ABC at the time the applicant submits their full application for a Type 87 license in order for that application to be deemed complete by the ABC. Following the submission of a complete application, ABC staff will undertake the standard review process that applies to any new liquor license application, including, among other requirements, referring the application to the San Francisco Planning Department and San Francisco Police Department for their review.

Member, Board of Supervisors
District 11



City and County of San Francisco

AHSHA SAFAÍ

November 28, 2017

Angela Calvillo, Clerk of the Board
City and County of San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Attached please find an original and two copies of a proposed resolution submitted for the Board of Supervisors approval, which will authorize the issuance of a new, Type-87 neighborhood- restricted special on-sale general liquor license serving the Mission Street business corridor in the Excelsior.

The following is a list of accompanying documents (three sets):

- Proposed Resolution
- Notice of Pre-Application Meeting about Intention to Apply for Liquor License
- Proof of Mailing of Notice Regarding Type 87 Liquor License Pre-Application Meeting
- Meeting Minutes, ABC Type 87 Community Meeting. November 24, 2017
- Original Neighborhood-Restricted Special On-Sale General License Public Meeting Requirement Verification

The following person may be contacted regarding this matter:

Benjamin Van Houten
1 Dr. Carlton B. Goodlett Place, City Hall, Room 448
San Francisco, CA 94102-4682
Business Development Manager, Nightlife & Entertainment Sector
Office of Economic and Workforce Development
ben.vanhouten@sfgov.org
Telephone 415.554.7038

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read "Ahsha Safai".

Ahsha Safai
District 11 Supervisor

Meeting Minutes

ABC Type 87 Community Meeting
The Dark Horse Inn
942 Geneva Ave. SF, CA 94112
11/24/17, 5:30pm

Attending

Sean Ingram, Dark Horse owner
Andrea Ferrucci, Dark Horse owner
Ben Van Houten, OEWD
Cathy M. Meyer, Supervisor's Office
Linda D'Avirro
Joelle Kenealey
Justin Balenzuela

Announcement

The Dark Horse Inn is applying for a new ABC Type 87 liquor license for its current location.

- The cocktail program will be limited and largely local, in keeping with the current craft beer/wine program. Price points will be comparable to current menus. Food menu will remain similar, with some updates.
- Hours will remain the same as current for the time being, with possible future expansion of food & beverage service.

Discussion

Public question posed about the application process. Ben Van Houten explains major points including Board of Supervisors process & meeting dates; required mailings & postings; 3-4 month expected turnaround.

Public question: Will there be a special event? Owners predict yes, there will be some sort of launch event TBD.

Public question: Will sources [vendors] be local? Owners plan to use local distilleries/vendors and small-batch producers whenever possible, to mirror craft beer program.

Public question about other applicants. 19 applied, 5 selected in lottery. Some are still trying to secure location. No others in this neighborhood at the time. Explanation of how many total licenses will be granted, which neighborhoods, and when.

Public question about next steps: How can we help? Package for BoS meeting, public comment not necessary. Full application to be completed. Strong public support present, no opposition as yet.

Meeting Adjourned.

Proof of Mailing of Notice Regarding Type 87 Liquor License Pre-Application Meeting

Please complete this form, attach the original notice of your pre-application meeting regarding your intention to apply for a Type 87 liquor license, and submit to the Clerk of the San Francisco Board of Supervisors.

Applicant(s) Name(s): The Dark Horse Inn

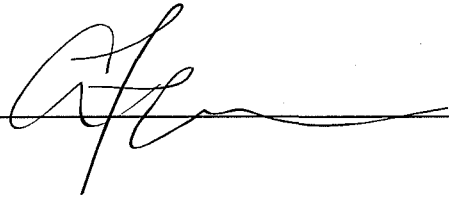
Address of Premises to be Licensed: 942 Geneva Ave. SF, CA 94112

I, Andrea Ferrucci, mailed the attached notice of my pre-application meeting regarding my intention to apply for a Type 87 liquor license to each resident of real property within a 500-foot radius of the above-listed premises, as well as to neighborhood associations and the Chief of Police, by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

Date: 11/10/17

Time: 2:45pm

USPS Location: Daniel's Pharmacy, 943 Geneva Ave. SF, CA 94112

Signature: 

The Dark Horse Inn
942 Geneva Ave
San Francisco, CA 94112
415.469.5508
info@darkhorsesf.com



To: Resident of Real Property/Neighborhood Association/Chief of Police
Re: Notice of Pre-Application Meeting about Intention to Apply for Liquor License

11/9/17

Dear Neighbor,

For the past six years we have enjoyed serving the neighborhood as a small restaurant & beer bar, and as participants in community activities. Thus, it is with much excitement that we announce our intent to apply for a Type 87 license to serve alcoholic beverages at our establishment.

Prior to submitting a formal application for that license, we must hold at least one pre-application community meeting to discuss the application with neighbors and members of the community. We must mail this notice to every resident of real property within a 500-foot radius of the premises, neighborhood associations, and the Chief of Police at least 14 calendar days before the community meeting is set to occur, per Section 23826.13 of the Business and Professions Code. We invite you to join us at this community meeting, detailed below.

For more information about the liquor license application process, please contact the San Francisco office of the Department of Alcoholic Beverage Control at (415) 356-6500 or visit www.abc.ca.gov.

The below-named applicant intends to apply for a Type 87 license to sell alcoholic beverages:

A Careless Match, LLC
dba The Dark Horse Inn
942 Geneva Avenue
San Francisco, CA 94112

The applicant will be holding a pre-application community meeting to discuss the application with neighbors and members of the community as follows:

Friday, November 24, 2017, 5:30pm
at The Dark Horse Inn
942 Geneva Avenue, San Francisco, CA 94112

For more information about the meeting, please contact Andrea Ferrucci at 415.469.5508 or info@darkhorsesf.com. We thank you for your ongoing support.

Sincerely,

Andrea Ferrucci
Owner/Operator, The Dark Horse Inn

**ORIGINAL NEIGHBORHOOD-RESTRICTED SPECIAL ON-SALE GENERAL LICENSE
PUBLIC MEETING REQUIREMENT VERIFICATION**

Name of Applicant: The Dark Horse Inn

Address of applied-for premises: 942 Geneva Ave. SF, CA 94112

Pursuant to Section 23826.13 of the California Business and Professions Code, the San Francisco Board of Supervisors hereby verifies that the above applicant for an original neighborhood-restricted special on-sale general license (Type 87) has completed the public meeting requirements as prescribed by the statute.

Signature of Board of Supervisors Representative

Member, Board of Supervisors
District 9



City and County of San Francisco

HILLARY RONEN

DATE: November 30, 2017

TO: Angela Calvillo
Clerk of the Board of Supervisors

FROM: Supervisor Hillary Ronen
Chairperson

RE: Public Safety and Neighborhood Services Committee
COMMITTEE REPORT

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2017 DEC -1 AM 10:56
BY AK

Pursuant to Board Rule 4.20, as Chair of the Public Safety and Neighborhood Services Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on December 12, 2017, as a Committee Report:

**171243 Special On-Sale General Liquor License - Verifying Completion of
Preapplication Meeting - 942 Geneva Avenue**

Motion verifying that A Careless Match, LLC, doing business as The Dark Horse Inn, located at 942 Geneva Avenue, has completed the preapplication meeting requirement under California Business and Professions Code, Section 23826.13, for the issuance of a new, non-transferable, Type-87 neighborhood-restricted special on-sale general liquor license.

This matter will be heard at the Special Meeting of the Public Safety and Neighborhood Services Committee on December 7, 2017 at 2:30 p.m.

Sincerely,

A handwritten signature in black ink that reads "Hillary Ronen".

Supervisor Hillary Ronen
San Francisco Board of Supervisors

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

Ak

I hereby submit the following item for introduction (select only one):

- ☒ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- ☐ 2. Request for next printed agenda Without Reference to Committee.
- ☐ 3. Request for hearing on a subject matter at Committee.
- ☐ 4. Request for letter beginning : "Supervisor [] inquiries"
- ☐ 5. City Attorney Request.
- ☐ 6. Call File No. [] from Committee.
- ☐ 7. Budget Analyst request (attached written motion).
- ☐ 8. Substitute Legislation File No. []
- ☐ 9. Reactivate File No. []
- ☐ 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

District 11 Supervisor Ahsha Safai

Subject:

Issuance of a new, non-transferable, Type 87 neighborhood-restricted special on-sale general liquor license along the Mission/Geneva business corridor in District 11.

The text is listed:

Motion verifying that A Careless Match, LLC, doing business as The Dark Horse Inn, located at 942 Geneva Avenue, has completed the preapplication meeting requirement under California Business and Professions Code, Section 23826, for the issuance of a new, non-transferable, Type 87 neighborhood-restricted special on-sale general liquor license.

Signature of Sponsoring Supervisor: []

For Clerk's Use Only